GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:1364
ANSWERED ON:27.10.2008
SUPPLY OF RAW MATERIAL
Jogi Shri Ajit

Will the Minister of TEXTILES be pleased to state:

(a) whether the powerloom and handloom weavers of various States including Chhattisgarh have submitted a representation to the Union Government for supply of raw material to them at reasonable prices;

(b) if so,the details thereof,State-wise;and

(c) the reaction of the Union Government thereto alongwith the steps taken in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) & (b):Representations from weavers/organizations are received from time to time for providing hank yarn at reasonable prices.This Ministry has not received any representation from the Powerloom units from the State of Chhattisgarh.However, several representations have been received from Associations in the State of Maharashtra and Tamil Nadu from time to time as per details given in the Annexure.

(c) The Govt.has taken following measures to increase the availability of raw material i.e.cotton for spinning industry that eventually helps the handloom and powerloom sectors:

(i) Govt.has abolished 14.7% customs duty on raw cotton with effect from 8th July 2008.

(ii) Duty draw back of 1% on FOB value on export of raw cotton has been withdrawn with effect from 8th July 2008.

(iii) To monitor the export of cotton on real time basis,exporters have to register their export contract in respect of raw cotton/cotton waste/cotton-carded or combed,prior to shipment with the Textile Commissioner,Government of India.

(iv) The Hank Yarn Price Monitoring Committee constituted by Govt.of India, quarterly reviews the position of availability of Hank Yarn and its prices in the interest of Handloom Industry.Wherever non availability of Hank Yarn in any part of the country or abnormal increase of Hank Yarn prices is reported, the committee suggests suitable intervention by the Mills Association,National Handloom Development Corporation (NHDC) and the Office of the Textile Commissioner to address such situation.

(v) The Govt. of India is implementing Mill Gate Price Scheme since 1992-93 for supply of all types of yarn required for the handloom weavers and their organizations at Mill Gate Price.The scheme is being implemented throughout the country including Chhattisgarh through NHDC.Under the scheme,Five (5) yarn depots have been opened in the State of Chhattisgarh.

ANNEXURE TO THE UNSTARRED QUESTION NO.1364

The details of the representation received by the Ministry of Textiles are indicated below:-

(1) From Shri Rizwan Ahmed,Member AICC,regarding Sad plight of power looms in Maharashtra regarding fixation of yarn price, subsidy on power tariff,bank loan on easy terms and low rate of interest etc.

(2) Representation received from Shri Abdul Latif Baba,Bhiwandi City District Congress Committee regarding the problems being faced by the powerloom workers in Bhiwandi.

(3) Representation received from Bhiwandi Padma Nagar Powerloom Weavers Association and Sri Lakshmi Venkatesh Yantramag Audyogik Shahakari Sanstha,Ichalkaranji regarding availability of yarn at Ex-mill prices and the removal of middlemen in cloth sale, ban of yarn export etc.

(4) Representation from Shri Rizwan Ahmed Ansari regarding problems of weavers in Malegaon.

(5) Representation from Erode Powerloom Cloth Merchants Association,Erode, regarding steep increase in yarn prices,dyes and chemicals used for processing.

(6) Representation from Power loom Societies/Associations of Tamilnadu regarding the crisis being faced by the powerloom industry regarding exorbitant rise in yarn prices,banning of export of waste cotton,power problem,increase in diesel price, non-availability of loan from financial institution,increase in rate of interest, increase in prices of machinery and spare parts etc.